GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:3830
ANSWERED ON:21.04.2008
PROCUREMENT OF WHEAT
Yadav Shri Parasnath

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the minimum support price of wheat fixed by the Government for the year 2008;

(b) the target fixed by the Government for procuring wheat in the year 2008; and

(c) the steps being taken by the Government to meet the target fixed in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): The Minimum Support Price fixed for wheat of crop year 2007-08 to be marketed in Rabi Marketing Season (RMS) 2008-09 is Rs. 1000 per quintal.

(b): Since procurement by Govt. agencies is open-ended, no targets are fixed.

(c): Following steps have been taken by the Government to increase procurement of wheat in RMS 2008-09 :

(i) The MSP for wheat has been fixed at Rs. 1000 per quintal for RMS 2008-09, an increase of Rs. 250 per quintal over the MSP fixed for RMS 2007-08, in order to encourage farmers to increase their production of wheat. This MSP is Rs. 150 per quintal more than the procurement price of Rs. 850 per quintal (including bonus of Rs. 100 per quintal) given to farmers last year.

(ii) Import of 18 lakh tonnes of w heat was done in 2007-08 which improved the stock position of wheat in the Central Pool and the wheat stocks (as on 1.4.2008) is more than the buffer norms of 40 lakh tonnes at the start of RMS 2008-09.

(iii) Wheat export on private account have been banned till further orders. Wheat export from Central Pool is also banned.

(iv) A notification titled `Wheat (Stock Declaration by Companies or Firms or Individuals) Order 2008 has been issued under the Essential Commodities Act 1955 on 11.2.2008. The order provides that any Company or firm or individual which purchases wheat beyond 10,000 tonnes during 2008-09 shall furnish a return to Secretary, Food of the State from where maximum quantity has been purchased, while a return for purchase of wheat beyond 25,000 tonnes is required to be furnished to the Central Government.

(v) Department of Consumer Affairs has extended upto 31st August, 2008 notification under the EC Act enabling State Government to impose stock limit on wheat.

(vi) Import of wheat on private account at Zero duty has been permitted till further orders.

(vii) In order to encourage wheat procurement in States like U.P., Madhya Pradesh, Bihar etc Commission to Societies/sub-agents has been enhanced to 2.5% on the lines of the Arthiya Commission in Punjab and Haryana for RMS 2008-09.

(viii) Nafed has been allowed to purchase wheat for the Central Pool on behalf of FCI in Madhya Pradesh, Gujarat and Bihar.